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5 Countries Where Bitcoin is Illegal

Bitcoin and other cryptocurrencies are outlawed in several countries

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 Be careful which country you use Bitcoin in. Chris Ryan / OJO Images

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Bitcoin has increased a lot in popularity since it was created in 2009 but there still remain several regions around the world where it, and other cryptocurrencies such as [Litecoin](#) and [Ethereum](#), are classified as illegal and not recognized as a legitimate form of currency.

Bitcoin users in North America don't have anything to worry about as the cryptocoin is completely legal to own, buy, sell, trade, and mine in both Canada and the United States.



Here are some countries to keep an eye on though when planning your next trip abroad. [Bitcoin](#) isn't accepted everywhere just yet.

Bitcoin in Morocco

Bitcoin and other cryptocurrency transactions were officially [outlawed in Morocco](#) in November 2017 seemingly in response to a major Moroccan digital services company, MTDS, announcing a few days prior that it would begin accepting Bitcoin payments.

Sending and receiving payments via any cryptocurrency in Morocco is punishable by fines.

rather firmly. People caught using Bitcoin and other cryptocoins can be fined and a number of users [have even been arrested](#) on more than one occasion for trading and mining Bitcoin.

Bitcoin in Ecuador

Ecuador outlawed Bitcoin and other cryptocoins in mid-2014 as part of [its financial reform plans](#).

The ban on Bitcoin was seen by many as a way to reduce competition with the country's own digital currency system (Sistema de Dinero Electrónico). This official Ecuadorian currency isn't a cryptocurrency and isn't based on [blockchain technology](#). It's simply a digital money solution based on traditional money and valued after the American dollar.



Anti-Bitcoin laws don't appear to be too strict in Ecuador as there are still several ways to buy and sell Bitcoin and other cryptocurrencies domestically. Enforcement isn't as strict as other countries like Bolivia and Bitcoin is seen as something that might be technically illegal but is still used by a small number of the population.

Bitcoin in China

The trading of Bitcoin and other cryptocurrencies was [banned in China](#) in September 2017. Due to the technology being so popular in the country before the ban though, the change in law hasn't ceased its use completely and many Chinese people continue to trade cryptocurrencies via in-person trades and [chat apps like Telegram](#) and [WeChat](#).

The Chinese government appears to target professional cryptocurrency trading companies over individuals.

Bitcoin in Nepal

Nepal's stance on many aspects of Bitcoin and cryptocurrency is a little ambiguous however it has been confirmed that the trading of Bitcoin is considered illegal following several arrests of Bitcoin traders in 2017 that resulted in a combination of [fines and jail terms](#) for those involved. Attempting to use Bitcoin and other cryptocurrencies in Nepal is not recommended.

Bitcoin Laws Change as Much as Bitcoin's Price

Due to how new cryptocurrency technology is, most countries are still trying to figure out how to adapt to the numerous digital currencies that have sprung up in the past decade.



Advertisement

An advertisement for Bithumb, a crypto exchange. It features a large image of a Bitcoin symbol on a globe, set against a background of a circuit board and a digital interface. The Bithumb logo is at the top. Text on the left reads: "WITH JUST ONE CLICK CONNECT TO THE GLOBAL CRYPTO MARKET".

round not only if Bitcoin and other cryptocoins should be recognized as legal tender (whether cryptocurrency trading should be regulated, and whether or not governments which cryptocurrency transactions are processed).

in many countries as the technology evolves and usage increases.

and other cryptocoins can change several times a year as financial institutions' opinion shifts.

commended to research the target country's Bitcoin policies beforehand via an especially important if travelling for business.

rested in a country where cryptocurrency is banned for simply having a Bitcoin or carrying your [Ledger Nano S hardware wallet](#) in your pocket. Simply don't ask to pay in Bitcoin or be careful of strangers encouraging you to do so if it's against the law.

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